CLASSIFICATION RESTRICTED SECURITY INFORMATION CENTRAL INTELLIGENCE AGENCY

FOREIGN DOCUMENTS OR RADIO BROADCASTS

REPORT CD NO. STAT

COUNTRY

Albania

DATE OF

1952

SUBJECT:

Economic - Consumer cooperatives Sociological - Living standards INFORMATION

DATE DIST. 28 Aug 1952

PUBLISHED

Daily newspaper

WHERE

PUBLISHED

Tirena

NO. OF PAGES

DATE

PUBLISHED

14 Har 1972

SUPPLEMENT TO

LANGUAGE

Albanian

REPORT NO.

PRIS BODDEST CONTAINS REPRESENTED AFFECTIVE THE MAIN. A. DEFINED OF THE STATES THAT STATES IN THE MAIN. A. DEFINED OF THE STATES STATES STATES IN THE MAIN OF STATES AND ALL OF A LOCAL STATES AND ALL OF THE STATES OF THE STATES AND ALL OF THE

THIS IS UNEVALUATED INFORMATION

SOURCE

Pashkimi.

ALBANIAN CONSUMER COOPERATIVE: CRITICIZED

Consumer cooperatives in 1951 made some gains over 1950 in organizing purchases and sales. In 1950, about 34 percent of the total number of cooperatives showed a loss, while in 1951, only 10 percent of them operated at a deficit.

Some cooperatives have shown a tendency to make high profits on their sales of agricultural and sheep products on the free market. In a recent meeting, the Certal Association of Consumer Cooperatives sharply criticized these harmful tendencies, as well as the negative attitude of the heads of cooperatives in financial matters. The critics claimed that such tendencies obstructed fulfillment of the plan for agricultural and sheep products and prevented lowering prices and furnishing necessary supplies to clay and rural workers. A few examples of excessive profits were given. For instance, the Cooperative Association of Tepelene Breth had made an 11-percent profit in this turnover on the free market in 1951. The Permet Association made a 7-percent profit, and the majority of consumer cooperatives in Korce and Kavaje made similar profits.

Purthermore, it was noted that rreth associations accepted few offers from buying-salling cooperatives as compared with offers accepted from small local consumer cooperatives, because the latter often made lower bids which permitted the rreth associations to make a higher profit. It was known, for example, that the Pregradec Rreth Association would not buy apples from local buying-selling cooperatives because the profit would not be as high as desired. The purpose of the rreth association was to make a profit on all articles or to market one article which would bring in a good profit, without considering that a greater stock of agricultural and sheep products should be kept on hand to see throughout the year.

This situation is due in large part to the distorted ideas which some managers of cooperatives have of what constitutes a market for the people. They do not act on the principal of giving the worker what he needs but on the principle of making a profit themselves.

- 1 -

	CLASSIFICATION	HESTRICIED
STATE X NAVY	NSRB	DISTRIBUTION
ARMY AIR	X FBI	

Γ

力は種

RESTRICTED

STAT

To cite an example, Khelil Mucc, the manager of the Sarande Cooperative Association. considered a profit of 18 leks on a kilogram of rice "quite normal," without stopping to think that if the profit were less, workers could buy more cheaply on the free market.

The laziness of financial administration chiefs in cooperatives was called another negative factor in the matter of profits. These chiefs did not even bother with financial problems, nor did they examine the bulance cheets presented to them to ascertain the facts and take proper steps.

Cooperative directors were criticized for not taking the trouble to purchase as many agricultural and sheep products as possible. Instead they preferred to realize high profits on collecting and selling fewer items because the operation was simpler. For example, the ferract Cooperative mentioned earlier for its high profits, fulfilled only 78 percent of the 1951 collection plan. The reason was that this cooperative did not try to reduce prices. It did not even try to reduce the costs involved in the purchase and sale of goods on the free market, although cost reduction is the complement of price reduction.

For optimum execution of the party measures to bring the people the best and the most consumer goods, cooperatives were urged to organize a systematic campaign to reduce prices, combat capitalistic tendencies toward high profits, make fair offers and profits, and organize an economic regime by reducing waste, transportation costs, and, above all, administrative expenses. A step in the right direction would be for the cooperatives and marketing sections in rreths to put into execution Order so 35 of the government, "On Measures to Increase Purchasing, Improve Agricultural and Sheep Products, and Expand Markets in Cities and Industrial Centers."

te,

- E N D -

- 2 -

RESTRICTED